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CENTRAL INTELLIGENCE AGENCY Office of Current Intelligence 30 September 1965

## INTELLIGENCE MEMORANDUM

## The India-Pakistan Situation (Report #87 - As of 4:00 P.M. EDT)

- nents of C. S. Jha, a high foreign affairs official, to the effect that the UN cease fire resolution of 1948 under which the 1949 Kashmir cease fire line was established had become "obsolete and inoperative." Jha's statement, according to the radio, is taken to mean that a new cease fire agreement therefore has to be drawn up and a new cease fire line demarcated. This is a further indication that India intends no relinquishing of its recently acquired territory across the line and will argue for a readjustment based on its gains.
- 2. Radio Peking has announced that Premier Chou En-lai and Vice Premier Chen Yi had a cordial conversation today with a Pakistani "friendship delegation" led by Ghulam Faruque, Minister for Commerce, and including Air Marshal Asghar Khan, head of Pakistan International Airlines. Ghulam Faruque has recently been appointed Defense Advisor to President Ayub, in addition to his commerce portfolio. While the Pakistani delegation's primary purpose may be to represent Pakistan at celebrations of the Chinese Communist regime and to discuss commercial and civil air matters, it is not unlikely that defense discussions may also be held, particularly in view of Chen Yi's pledge yesterday of full moral, political and material support for Pakistan.